

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE
DATA ANALYSIS DIVISION



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TO: County Auditors and Vendors

FROM: Eric Bussis, Director of Data Analysis *EQB*

RE: Homestead Database

DATE: March 13, 2013

The purpose of this memorandum is to outline homestead reporting policies after the filing deadline for the Homestead Verification Form, also known as the "pink form."

The Department of Local Government Finance ("Department") is required by IC 6-1.1-12-37(i) to provide county auditors with a database that tracks the names and required identification numbers of taxpayers claiming a homestead deduction. This database is currently available to county auditors or employees of the auditor's office.

Under the statute, the duty and responsibility for verifying a homestead resides with the county auditor. The database is one of the tools the auditor can use to make the decision whether to remove a homestead deduction. The auditor could verify a homestead from a Homestead Verification Form, a Homestead Deduction Form, or a Sales Disclosure Form ("SDF"). After the end of 2012, the Homestead Verification Form will no longer be used, but all new homesteads will still need to be verified by collecting the personal identification numbers as described in IC 6-1.1-12-37 through the Homestead Deduction Form or SDF. County auditors are also still required to submit homestead verification data to the Department on an ongoing basis for new homesteads filed via the Homestead Deduction Form or SDF. County auditors must submit all verified homesteads to the state's homestead database, whether the auditor chooses to manually enter this data into the database or submit the data to Department in the approved Excel-based file format.

Beginning in 2013, the Department will use the homestead database during data compliance reviews. In the spring file submission of tax billing data, auditors submit the ADJMETS file, which details any deduction, credit, or abatement included in that year's tax bills. To achieve data compliance, the Department will check that each record with a homestead deduction in the ADJMETS file has a corresponding and complete record in the homestead database. Once the majority of counties have achieved data compliance, the Department will release documents to county auditors that identify people who may be claiming multiple homesteads across the state. The Department will check future submissions of the ADJMETS files to ensure that all parcels with a homestead deduction also have a corresponding homestead verification record in the database. This will require county auditors to continue to update the database with new homestead filings.

Future data checks and reports provided by the Department are one tool for homestead verification, but in no way impede a county auditor's ability to end an unverified homestead deduction. County auditors have discretion under IC 6-1.1-12-17.8 to terminate a homestead deduction for failure to file a timely or complete verification form.

Beginning in June, the Department will begin to import all records from Gateway SDF that contain homestead data in to the homestead database with the review status. This will occur as soon as the SDF filing is uploaded into the Gateway SDF system. County auditors will then be able to input the confidential fields and verify or reject the filing.

If you have any questions, please contact Eric Bussis, Director of Data Analysis, at erbussis@dlgf.in.gov or (317) 232-3759.